Approved For Release 20 P09/25 C APP 100975 A000200550001-8

DOS REVIEW COMPLETED 22 June 1951 25X1 Copy No. CI-9 CURRENT INTELLIGENCE BULLETIN DOCUMENT NO. NO CHANGE IN CLASS IT DECLASSIFIED CLASS, CHANGED TO: To S NEXT REMEW DATE: AUTH: HH 70-2 25X1 25X1 Office of Current Intelligence CENTRAL INTELLIGENCE AGENCY 25X1 25) Approved For Release 2003/09/26 : CIA-RDP79T00975A000200550001-8

SUMMARY

GENERAL

1. Comment on Soviet rejection of Western terms for a Foreign Ministers' meeting (page 3).

2. Deputies consider political aspects of Greek-Turkish adherence to NATO (page 3).

25X1

25X1

FAR EAST 25X1 Comment on new Sino-Soviet trade agreement (page 4). 25X1 NEAR EAST 6. Iranian tribal leaders offer support to UK (page 5). EASTERN EUROPE 7. US may be involved in trial of Hungarian archbishop (page 6). 25X6 25X1A

25X1A

Approved For Release 2003/09/26 : CIA-RDP79T00975A000200550001-8

- 2 -

GENERAL

1. Comment on Soviet rejection of Western terms for a Foreign Ministers' meeting:

The Soviet 20 June note, by offering to examine Russia's own security agreements and reiterating that NAT and US bases be included in any Big Four Agenda, appeared to aim at establishing a suitable propaganda position for Soviet refusal to agree on any agenda at all. The note stated that the USSR had no objections to discussing its treaties of mutual assistance with China, Poland, Czechoslovakia, Hungary, Rumania, Bulgaria, Finland and, finally, with France and Britain. Soviet treaties with the Satellites are bilateral and are directed specifically against a resurgent Germany or Japan. In return, the USSR asked the Western powers to agree to discuss the North Atlantic Treaty arrangements as a principal cause of tension in Europe. The USSR implied that, in order to alleviate the tension, the Western powers should suspend their defense program.

2. Deputies consider political aspects of Greek-Turkish adherence to NATO:

Discussion of the political aspects of Greek-Turkish adherence to the North Atlantic Treaty Organization commenced on 19 June, with all participants in full agreement that the linking

of Greece and Turkey with Western defense was desirable but with no agreement as to the means to accomplish this end. The Netherlands' delegate expressed the fear that NATO membership for these countries would increase the general tension and the possibility that any incident would become critical. The French representative countered this argument by stating that no action is possible if NATO is governed by a fear of provoking the USSR.

<u>Comment</u>: While considerable wrangling is anticipated in view of the well-known fears in NATO countries, it is anticipated that the Deputies will ultimately come forth with a recommendation

25X1A Approved	For Release 2003/09/26 : CIA-RDP79T00975A0002	00550001-8
- 1		

aimed at extending collective security to Greece and Turkey. The British Government has already suggested an examination of the possibility of a US-UK-French security guarantee to Greece and Turkey.

	FAR EAST •
25X1	

4. Comment on new Sino-Soviet trade agreement:

TASS reports that two trade protocols signed in Moscow on 15 June provide for a considerable increase in trade between the USSR and Communist China. According to Chinese Communist statements, trade with the USSR, which has traditionally been unimportant, came to about one-fourth of China's total foreign trade in 1950. Under the newly-signed protocols, Sino-Soviet trade is expected to increase considerably in 1951 and should, in the case of some items, counter the adverse effects of Western trade embargoes.

25X1

- 4 -

25X1A

•	25xpproved For Release 2003/09/26 : CIA-RDP79T00975A000200550001-8	
	y -	25×
۰۲	· .	\neg
25X1		
L		
	NEAR EAST	
	6. Isanian tribat leaders offer support to UK:	
25X1 <i>A</i>	senior chiefs of the Qashqai tribe called secret- ly on the UK Ambassador on 19 June; express- ing concern over the trend of events in Iran	
	and forecasting disturbances and a possible breakdown of authority, especially in the southern oil area. They saw no promise of an early improvement in the situation, and added that only the USSR profits from the existing weakness and confusion in Iran. The tribal leaders reportedly stated that the	•
	25X1A	

Approved For Release 2003/09/26 : CIA-RDP79T00975A000200550001-8

British could count on the Qashqais in the event of serious disturbances.

Comments The Qashqais, one of the major tribal groups in Iran, are located in the impuntainous area to the east of Abadan, where the oil installations are located. The Iranian Government has been concerned over rumors that the UK was agitating among the tribes, and several tribal leaders recently felt it necessary to reaffirm their loyalty to the Shah. Although the UK has disavowed any machinations among the tribes, it is generally considered that in the event of a direct conflict between the UK and Iran, the UK would obtain some tribal support. This is, however, the first firm indication of tribal cooperation that could aid the British in maintaining their position in the area. Qashqai support for the British would presumably be aimed at achieving tribal autonomy.

EASTERN EUROPE

7. US may be involved in trial of Hungarian archbishop:

25X1A	Archbishop Grosz and seven alleged accom-
	plices, including a former US Legation employ-
	* /
L	ee, are scheduled to go on trial on 22 June for
_	conspiring against the present Communist re-

gime. The US Charge in Budapest is certain that the US will be involved in the trial and that possibly some Legation staff members will be declared personae non gratal. He adds that Minister Davis may also be implicated. The Charge further points out that the Hungarian Government's close scrutiny of USIS activities several months ago may have been for the purpose of obtaining evidence to justify the discontinuance of USIS functions.

Comment: In July 1950 the above mentioned US Legation employee, a Hungarian, was instrumental in establishing a contact between the Legation and an alleged representative of a secret government headed by Archbishop Grosz. It is not known whether this employee was a Communist agent attempting to involve the US Legation in a plot, or whether he was actually a contact man for an existing underground group. There has been recent evidence that the latter may have been the case.

Involvement of the US Legation would provide the regime with a long awaited excuse for restricting the activities of the USIS office, where the accused worked. Therefore, it seems likely that if any staff member is expelled it would be the head of USIS in Budapest.

WESTERN EUROPE

25X6

.. 7 ..